

FYBAF - Sem-II  
 April - 2019

TIME: 2 ½ HOURS

MARKS: 75

- N.B:** 1) Figures to the right indicate full marks  
 2) All questions are compulsory  
 3) Use of simple calculator is allowed  
 4) Working note should form the part of answer

Q1A) State whether the following statements are True or False (Any 8 out 10) 8 marks

1. Under Single entry system, it is not possible to ascertain the gross profit earned by the business.
2. Income- tax allows small traders to adopt single entry system for keeping books of accounts.
3. Receipt from branch debtors are not recorded in the Branch Account kept under the 'Debtor method'.
4. Stock Reserve Account is used to adjust loading on closing stock lying at the branch HO sends goods to branch at invoice price.
5. While calculating the insurance claim, value of salvage is deducted from the cost of the stock lost.
6. Limited companies are free to choose either single entry or double entry system of accounting.
7. An Account Sales is a ledger account in the books of the consignee.
8. Expenses incurred in forwarding the defective goods should be debited to profit and loss account.
9. Under stock and Debtors method, Branch Stock A/c is opened in order to ascertain net profit/loss of branch.
10. Memorandum Trading Account can be prepared if proper stock records are available.

Q1 B) Match the column (Any 7 out 10) 7 marks

Column A	Column B
1. Debit side of Total Debtors A/c	a) Applies only in case of over-insurance
2. Credit Side of Machinery A/c	b) Based on cost
3. Account sales	c) Credit to branch stock account
4. Ownership of goods is passed on to the buyer	d) Credit to branch debtors account
5. Collection from debtors by consignee	e) Debit to branch stock account
6. Gross profit transferred	f) No entry
7. Discount to customers	g) Sale
8. Loss of goods in fire	h) Principal and agent
9. Mark up	i) Balance to be shown in closing statement affairs
10. Average clause in a fire insurance	j) Credit sales

Q2] M/s. Ananya Plastic Traders supplies you the following information:

15 marks

Particulars	1 <sup>st</sup> April,2018 (Rs)	31 <sup>st</sup> March,2019 (Rs)
Sundry Debtors	180000	210000
Stock	150000	210000
Sundry Creditors	110000	120000
Furniture	20000	?
Machinery	350000	?

Summary for the cash transaction for the year 2018-19

Receipts	Rs	Payments	Rs
Opening Balance	30000	Paid to creditors	350000
Cash Sales	110000	Wages	160000
Received from Debtors	780000	Salaries	150000
Loan from Rajiv @8% p.a. on 1 <sup>st</sup> April,2018	100000	Printing and Stationery Expenses	60000
		Drawings	120000
		Machinery Purchased on 1 <sup>st</sup> April,2018	100000
		Closing Balance	80000
	1020000		1020000

Discounts Allowed were Rs 12000 and discount received Rs 10000. Bad Debts written off were Rs 8000.

Depreciation is to be provided on Furniture @10%p.a. and on Machinery @20%p.a. Expenses include payment of Rs 2000 which relates to 2019-2020. Wages outstanding Rs 11000.

Prepare Trading Profit and Loss Account of M/s. Ananya Plastic Traders for the year ended 31<sup>st</sup> March,2019 and Balance Sheet as on that date.

OR

Q2] Mr. Shreeshant does not maintain his books of accounts on Double Entry book keeping system. He supplies you the following information. 15 marks

a) Assets and Liabilities as on 1<sup>st</sup> April, 2017 and 31<sup>st</sup> March, 2018.

Particulars	1-4-2017 (Rs)	31-3-2018 (Rs)
Sundry Debtors	22400	16400
Stock	25500	67200
Sundry Creditors	42820	19740
Furniture	24000	24000
Machinery	35000	?
Cash and Bank Balance	1000	8200

b) Transactions During year ending 31<sup>st</sup> March, 2018.

Particulars	Rs
Payment made to Creditors	35000
Salaries	14660
Cash sales	?

Received from Debtors	79080
Capital Introduced	10000
Carriage Inward	16420
Office Expenses	5800
Purchase of Machinery	10000
Drawings	12000

Discount allowed were Rs 1200 and discount received Rs 1000. Bad debts written off were Rs 800.

Depreciation is to be provided on Furniture @20%p.a. and on Machinery @10%p.a. Salaries outstanding Rs 2000

Prepare Trading, Profit and Loss Account of Mr. Shreeshant for the year ended 31<sup>st</sup> March, 2018 and Balance sheet as on that date.

Q3] On 15 January,2017 Janson &Co. of Mumbai sent to Mukesh & Co. of Kolkata 800 bicycles at an invoice price of Rs 200 per bicycle to be sold on commission. Freight and insurance were Rs 1200

Account sale was received from consignee as follows:

15<sup>th</sup> February – 200 bicycles were sold @ Rs 290 on which 5% Commission and Rs 750 for expenses were deducted.

10<sup>th</sup> March – 300 bicycles were sold @ Rs 280 on which 5% Commission and Rs 580 for expenses were deducted.

From the above information prepare Consignment a/c in the books of Janson &Co. and close it on 31<sup>st</sup> March 2017 keeping in mind that no sales were made afterwards. Also show accounts in the books of Mukesh & co.

15 marks

OR

Q3] Mr. Ram Rao, Delhi has a branch at Mumbai. All purchases are made by the head office.

Goods are sent to Branch at invoice price which is cost plus 50%. The Branch does not maintain double entry books of accounts, the books are kept at the head office. Branch sells goods for cash as well as on credit. All the expenses of branch are paid by Head Office. All cash collection is sent to head office every day. From the following information supplied to you, prepare Branch A/c at Cost Price in the books of head office for the year ended March 2019:

15 marks

Particulars	Rs
Stock at Branch at Invoice price on 1 <sup>st</sup> April,2018	66900
Debtors at Branch on 1 <sup>st</sup> April,2018	132300
Furniture at Branch on 1 <sup>st</sup> April,2018	32000
Goods sent to Branch at invoice price	720000
Cash sales	280000
Credit sales	562000
Cash received from Debtors	?

Bad Debts at Branch	32260
Expenses of Branch paid by Head Office:	
Salaries	37200
Rent	56800
Printing and Stationery	28800
Sundry Expenses	26380
Goods returned by Branch to Head Office at Invoice Price	30000
Goods returned by Branch to Debtors	24000
Stock at Branch at Invoice price on 31 <sup>st</sup> March, 2019	78000
Debtors at Branch on 31 <sup>st</sup> March, 2019	54000
Furniture at Branch on 31 <sup>st</sup> March, 2019	28800

Q4] Bhagwati Stores closed their Books every year on 31<sup>st</sup> March. On 30<sup>th</sup> April 2018 their Premises and Stock were destroyed by fire. From books of accounts and other records the following information is obtained. The stock on hand every year has always been valued at 10% less than the cost. 15 marks

Particulars	2014-15 Rs	2015-16 Rs	2016-17 Rs	1-4-17 to 30-4-18 (Rs)
Opening stock	541800	648000	720000	738000
Purchases Less- Returns	1498000	1600000	1620000	120000
Sales Less- Returns	2400000	2640000	280000	240000
Wages	348000	380000	418000	40000
Closing Stock	648000	720000	738000	-

They have taken Fire Insurance Policy of Rs 700000 and there is an average clause in the policy.

The salvaged goods amounted to Rs 20000.

Find out the amount of claim to be submitted to the Insurance Company.

OR

Q4] A fire occurred in the premises of Mr. Rohan on 15<sup>th</sup> October, 2018. 15 marks

From the following particulars ascertained the loss of stock and prepare a statement of claim to be lodged with the Insurance Company.

Particulars	Rs
Stock (31-3-2017)	396000
Stock (31-3-2018)	484000
Purchases for 2017-18	1280000
Sales for 2017-18	1600000
Purchases (1-4-2018 to 15-10-2018)	1200000
Sales (1-4-2018 to 15-10-2018)	1516000

Stock on 31<sup>st</sup> March, 2017 was valued at 90% of cost price and 31<sup>st</sup> March, 2018 was valued at 10% above cost. Salvage was Rs 35600 the amount of policy was Rs 400000. The claim was subject to average clause.

Q5 a] Distinguish between consignment and sale 8 marks  
 Q5 b] Explain in brief Stock and Debtors Method 7 marks

OR

Q5] Write short notes ( Any 3 out 5) 15 marks

- 1) Branch Adjustment Account
- 2) Average Clause Policy
- 3) Del Credere Commission
- 4) Conversion Method
- 5) Defects of Single Entry System.

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FYBAF - Sem-II  
Apr 2019

(Time: 2½ Hours)

[Total Marks :75]

- N.B. 1) All questions are compulsory subject to internal choice.  
2) Figures to the right indicates full marks.

**Q1.(A) Select the appropriate option and rewrite the sentences. (Any 8) (8)**

- 1) Audit Note Book is also called as audit \_\_\_\_\_.  
(a) Record (b) File (c) Memorandum
- 2) Unintentional mistake is \_\_\_\_\_.  
(a) Error (b) Fraud (c) Unintentional error
- 3) Bills receivable account is a \_\_\_\_\_ account.  
(a) Real (b) Personal (c) Nominal
- 4) Written Audit Plan is called as audit \_\_\_\_\_.  
(a) Programme (b) Note Book (c) File
- 5) Internal check is instituted by the \_\_\_\_\_.  
(a) Management (b) Auditor (c) Government
- 6) \_\_\_\_\_ audit is compulsory under law.  
(a) Statutory (b) Continuous (c) Internal
- 7) Internal control includes internal \_\_\_\_\_ and internal audit.  
(a) Record (b) Check (c) Examination.
- 8) Special audit can be ordered by \_\_\_\_\_.  
(a) State Government (b) Municipality (c) Central Government
- 9) The main objective of \_\_\_\_\_ is to avoid or reduce the tax liability.  
(a) Secret Reserve (b) Window Dressing (c) Auditing
- 10) Confirmation is an example of Audit \_\_\_\_\_.  
(a) Procedure (b) Method (c) Technique

**Q1.B) State whether following statements are 'True' or 'False' (Any 7) (7)**

- 1) An Error of omission does not affect the trial balance .
- 2) Test check is the same as internal check .
- 3) Statutory audit is compulsory for sole proprietors.
- 4) The Auditor is a watchdog, but not bloodhound.
- 5) Cost audit is applicable to all limited companies.
- 6) Casting error is a type of two sided error.
- 7) The term " General Purpose Financial Statements" includes a cash flow statement (Wherever applicable).
- 8) Financial statements are required to be prepared in accordance with relevant statutory requirements.
- 9) Developing the internal control system is the auditor's responsibility.
- 10) After accepting engagement letter the auditor should obtain knowledge about a new client's business.

- Q2. a) What is Auditing? What are the advantages of auditing? (8)  
b) What are the duties of an auditor in respect of window dressing? (7)

OR

- Q2.c) What is Final Audit ? What are its advantages and disadvantages? (8)  
d) Define Fraud. What is manipulation of records? (7)

- Q3. a) What is an audit note book ? Explain the contents of Audit Note Book. (8)  
b) What is audit working paper? Explain the contents of current file. (7)

OR

- Q3.c) What are the steps to be taken by the auditor before commencement of an audit? (8)  
d) Explain the disadvantages of audit programme. (7)

- Q4. a) How auditor should evaluate internal control for sales? (8)  
b) What are the auditor's duties regarding the internal check? (7)

OR

- Q4.c) How auditor should evaluate internal control for creditors? (8)  
d) Distinguish between Internal audit and Statutory audit. (7)

- Q5.a) Explain the features of statutory audit. (8)  
b) Distinguish between Internal check and Internal Control. (7)

OR

**Q5. Write short notes on (Any 3)** (15)

- 1) Special Audit
- 2) Audit Sampling
- 3) Audit Engagement Letter
- 4) Audit liability
- 5) Errors of Commission

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Extno 07

[2½ Hours]

[Total Marks:75]

- N.B.:
1. Q.1 is compulsory.
  2. Q.2 to Q.5 are compulsory with internal choice.
  3. All questions carry equal marks.

**Q.1 A** Select the appropriate options and rewrite the following sentences.(any eight) (8)

1. 100% finance is provided in \_\_\_\_\_.  
(a) Factoring (b) Forfaiting (c) Both (a) & (b) (d) None of (a) & (b)
2. A \_\_\_\_\_ is defined as any person who is engaged in the business of issue management.  
(a) factor (b) manager (c) merchant banker (d) insurer
3. Financial services are \_\_\_\_\_.  
(a) inseparable (b) intangible (c) variable (d) all of the above.
4. \_\_\_\_\_ is an apex housing finance institution in the country.  
(a) RBI (b) National Housing Bank (c) HDFC (d) LIC Housing Finance
5. Equipment leasing is an example of \_\_\_\_\_ services.  
(a) fund based (b) non-fund based (c) both the above (d) none of the two.
6. Securitisation is the process of pooling and repackaging of homogeneous \_\_\_\_\_ financial assets into marketable securities.  
(a) liquid (b) illiquid (c) fixed (d) current
7. In a \_\_\_\_\_ lease, the lessor does not transfer all the risks and rewards incidental to the ownership of the asset.  
(a) finance (b) operating (c) Both (a) & (b) (d) None of (a) & (b)
8. Features of Venture Capital includes \_\_\_\_\_.  
(a) High risk (b) Illiquid investment (c) High Technology (d) All of these
9. Credit Card facility is an excellent example of \_\_\_\_\_ credit.  
(a) long term (b) secured (c) revolving (d) non-revolving
10. Where in an order, the client places a limit on the price of the security; it is a case of \_\_\_\_\_.  
(a) limit order (b) best rate order (c) stop loss order (d) immediate or cancel order

**Q.1 B** Rewrite the following statements and state whether they are True or False. (7)  
(any seven)

1. The non-fund based services are called asset based services.
2. The bills covered under the scheme must be genuine trade bills relating to the sale or dispatch of goods.
3. Underwriters agree to take up securities which are not fully subscribed.
4. A stock broker is a member of a recognized stock exchange.
5. A derivative is a contract between two parties which derives its value or price from an underlying asset.
6. In a finance lease, the lessor does not transfer all the risks and rewards incidental to the ownership of the asset.
7. The last stage in venture capital financing is the exit to realize the investment so as to make a profit or minimize losses.
8. Consumer finance refers to the raising of finance by businesses for the acquisition of durable goods.
9. NBFCs are not allowed to accept demand deposits.
10. One time assessment of creditworthiness is valid over the future life of the security.

Q.2 (a) Define financial services. What are the types of financial services? Explain with any three examples of each type. (8)

(b) Distinguish between factoring and forfeiting. (7)

OR

(c) Define Merchant Banker. State any seven services provided by Merchant Bankers. (8)

(d) What is the meaning of 'Securitisation'? Explain its features. (7)

Q.3 (a) Distinguish between Operating Lease and Financial Lease. (8)

(b) Explain the meaning of Venture Capital. State its features. (7)

OR

(c) State any eight advantages of Hire Purchase. (8)

(d) Describe various sources of Consumer Finance. (7)

Q.4 (a) Explain limitations of Credit Rating. (8)

(b) How can frauds and misuse of Credit Cards be prevented? (7)

OR

(c) What are the benefits of using Credit Cards? (8)

(d) Explain features of recourse and non-recourse factoring. (7)

Q.5 (A) State any eight advantages of leasing to the lessee. (8)

(B) Explain meaning & importance of underwriters in issue management. (7)

OR

Q.5 Write a short note on: (Any three) (15)

(a) Role of NHB

(b) Advantages of credit rating to the investors

(c) Importance of financial services

(d) Code of conduct for Bankers to an issue

(e) Bill Discounting process

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FYBAF - sem - II  
April - 2019

Q.P. Code : 35027

[Time: 2½ Hours]

[Marks:75]

Please check that you have the correct Question Paper.  
N.B: All questions are compulsory.

Q.I. A. **Fill in the blanks with suitable options:** (Any 08)

[08]

1. \_\_\_\_\_ are based on the Findings of a Business Report.  
(Recommendations / Terms of Reference / Appendix)
2. A \_\_\_\_\_ is a powerful means of communication within an organisation.  
(Press Release / Television / House Journal)
3. When a \_\_\_\_\_ is passed in a Meeting it becomes a Resolution.  
(Motion/ Judgment/ Declaration)
4. A \_\_\_\_\_ is a decision making body.(Conference / Symposium / Committee)
5. A Job Interview is also known as a \_\_\_\_\_ Interview. (Selection /Selector / Segregation)
6. Catalogues, price-lists and other literature may be sent by the seller in response to a Letter of \_\_\_\_\_.(Order / Complaint / Inquiry)
7. AIDA stands for Attention, \_\_\_\_\_, Desire and Action. (Internet / Interest / Intranet)
8. A District Consumer Commission deals with complaints up to the value of Rs. \_\_\_\_\_.  
(Twenty Thousand/ Two Lakh/ Twenty Lakh)
9. The Right to Information Act was passed in the year \_\_\_\_\_. (2005 /2006 /2007)
10. The third stage of a Selection Interview is \_\_\_\_\_.  
(Parting/ Supplying Information/Acquiring Information)

Q.I. B **Match the following:** (Any 07)

[07]

- |                            |  |
|----------------------------|--|
| 1. Dynamics                | a. Vote of Thanks                                  |
| 2. Delegates               | b. Review of Subordinates' Performance             |
| 3. Flier                   | c. Videoconferencing                               |
| 4. Last Item in the Agenda | d. Written Intimation about a Meeting.             |
| 5. Notice                  | e. Specialised Periodical Publication              |
| 6. Newsletter              | f. Force   |
| 7. Skype                   | g. Promotional Material                            |
| 8. Feasibility Report      | h. Participants at a Conference                    |
| 9. Structured Interview    | i. Pre-planned                                     |
| 10. Appraisal Interview    | j. Studies the Prospects of Starting a New Venture |

Q.II. A. Define Interview. How should an interviewer prepare to conduct a Selection Interview?

[08]

B. What is a Conference? Discuss the various ways to ensure the successful organisation of a conference.

[07]

OR

C. What is a Grievance Interview? Why and how should it be conducted?

[08]

D. Define Public Relations. List and explain any five methods of promoting Internal Public Relations in an organization.

[07]

Q.III. A. Rashmi Shetty wants to purchase a Platinum vacuum cleaner. Write a Letter of Inquiry on her behalf to Sam Electronics, Grant Road, Mumbai inquiring about the various models, their features and prices. Use the Complete Block layout.

[08]

Turn Over



Extra (04)

Q. P. Code: 33877

Time: 2 ½ hours

Marks: 75

Note: 1) All Questions are compulsory.  
2) Figure to the right indicates full marks.

1. A Choose the correct alternatives (any eight) (08)

- (i) Liberalisation is based on \_\_\_\_\_ ideas.  
(Capitalist, Socialist, Communist)
- (ii) Economic liberalisation was adopted by Prime Minister \_\_\_\_\_.  
(Mr. Manmohan Singh, Mr. Rajiv Gandhi, Mr. Narasimha Rao)
- (iii) Article \_\_\_\_\_ of the Constitution abolished the practice of untouchability.  
(15, 16, 17)
- (iv) The objective of Right to Freedom of Religion is to sustain the principle of \_\_\_\_\_.  
(Communalism, Regionalism, Secularism)
- (v) \_\_\_\_\_ factor is formed of all living organism.  
(Biotic, Abiotic, Robotic)
- (vi) \_\_\_\_\_ directly feed on producers.  
(Herbivores, Omnivores, Carnivores)
- (vii) \_\_\_\_\_ arises when goal directed behaviour is blocked or thwarted.  
(Frustration, Stress, Conflict)
- (viii) Eustress is also known as \_\_\_\_\_.  
(Positive, Negative, Neutral)
- (ix) \_\_\_\_\_ means forming close associations with trusted friends and co-workers.  
(Networking, Relaxation, Social support)
- (x) Win-Win is the outcome of \_\_\_\_\_ strategy.  
(Collaborating, Compromising, Smoothing)

1. B State whether the statement is True or False (07)

- (i) The process of moving for a period of time in response of labour or climate conditions is called asseasonal migration.
- (ii) In India, the concept of privatisation gained importance in the post reform period since 1991.

- (iii) Magna Carta was signed in 1215.
- (iv) Article 14 of Indian Constitution provides for Equality before Law.
- (v) Overuse of the renewable resources for short gain may shorten a country's long term economic future.
- (vi) Degradation occurs when earth's natural resources are depleted.
- (vii) Stress aggravates diabetes.
- (viii) Intergroup conflict occurs within an individual.
- (ix) Addressors do not possess risk taking attitude.
- (x) Concealers don't believe in taking risks.

2. What is liberalisation? What are the benefits and limitations of liberalisation? (15)

OR

Explain the concept of globalisation? Examine the impact of globalisation on employment.

3. Define Human Rights. What are the characteristics of human rights? (15)

OR

Briefly explain Fundamental Rights as enshrined in Indian Constitution.

4. What is environmental degradation? What are its causes? (15)

OR

Discuss the importance of ethics in an individual's development.

5. Explain various strategies for coping with conflict. (15)

OR

Write short note on (any three):

- (a) Causes of migration
- (b) Magna Carta
- (c) Need for sustainable development
- (d) Causes of stress
- (e) Types of individual conflicts

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Time: 2.30 HRS

Marks: 75

FYBAF - M Sem - II  
April - 2019  
8 mks

**Q.1.A] Answer the following multiple choice questions. [Any 8]**

1. When a contract is performed by both the parties, the contract comes to an end by.....
  - a) lapse of time
  - b) discharge by performance
  - c) discharge by agreement
  - d) discharge by breach
2. When an innocent party is claiming for monetary damages, it may be.....
  - a) liquidated damages.
  - b) vindictive damages.
  - c) any of them.
  - d) all of them.
3. Which is not goods.....
  - a) live stock
  - b) shares
  - c) valid Indian Currency
  - d) Goodwill
4. Doctrine OF Caveat emptor places the burden on the .....
  - a) buyer
  - b) seller
  - c) third party
  - d) government.
- 5) the lien of an unpaid seller depends on .....
  - a) possession
  - b) title.
  - c) ownership
  - d) possession and ownership
- 6) Suresh and Pawan go into a shop. Suresh says to the shopkeeper, Kamal, let Pawan have the goods, and if does not pay you, I will. This is a .....
  - a) contract of guarantee
  - b) contract of indemnity
  - c) contract of surety
  - d) Quasi- contract
- 7) Under the Negotiable Instrument Act, which of the following refers to "a written document by which a right is created in favour of some person"?
  - a) promise
  - b) instrument
  - c) agreement
  - d) contract
- 8) For what term of imprisonment an offender under section 138 of the Negotiable Instruments Act can be punished .
  - a) two years
  - b) one year
  - c) three years
  - d) five years.
- 9) The right of subrogation in a contract of guarantee is available to the .....
  - a) Creditor
  - b) Principal debtor
  - c) Surety
- 10) Who is not a party to a Cheque?
  - a) drawer
  - b) drawee
  - c) payee
  - d) Acceptor

**Q.1.B) State whether the following statements are True or False: (Any 7)**

7 mks

- 1) Stranger to a contract cannot sue while stranger to consideration can sue.
- 2) Where a party to a contract does not suffer any loss on account of breach of a contract can never claim damages.
- 3) A Contract once entered needs to be performed under all circumstances.
- 4) Any person who voluntarily makes a payment on behalf of another, can recover it.

- 5) Death of a surety does not put an end to the contract of guarantee.
- 6) Sale of Goods Act only deals with immovable property.
- 7) Cheque is valid for the period of three months.
- 8) Payee is the person to whom money is to be paid.
- 9) In a contract of sale, money is a consideration.
- 10) Unascertained goods are same as generic goods.

- Q.II. A) Define a Proposal and what are the essential requirements of a valid proposal? 8 mks  
B) "No Consideration, No Contract"- Discuss & State exception to the rule. 7 mks

OR

- C) Define the "Contract of Guarantee" and state the essential requirements of Contract of Guarantee. 8 mks  
D) Explain fully Agency by Ratification 7 mks

- Q.III. A) State the Distinction between Sale & Agreement to sell. 8 mks  
B) Explain the Doctrine of Caveat Emptor & State its exception. 7 mks

OR

- C) Who is 'Unpaid Seller'? What are his various rights under the Sale of Goods Act? 8 mks  
D) What is an Auction Sale? What are the rules applicable to Auction Sales? 7 mks

- Q.IV. A) What is a Bill of exchange? How does a Promissory Note differ from a bill of exchange? 8 mks  
B) What is meant by a special crossing of a Cheque? How does special crossing differ from general crossing of a Cheque? 7 mks

OR

- C) State the various modes of Discharge of Negotiable Instrument. 8 mks  
D) Write a note on Dishonor of Cheque. 7 mks

- Q. V. A) Define a Consumer as per Consumer Protection Act and also state who is not a Consumer as per the Act. 8 mks  
B) What are the Objects of the Consumer Protection Act, 1986? 7 mks

OR

- D) Short Note ( Any 3 ): 15 mks  
1) Auction Sale 2) Unfair Trade Practices 3) Hire purchase agreement  
4) Deficiency in Services 5) Consumer Dispute

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Duration: 2½ hours

- NOTE: 1. All questions are compulsory.  
 2. Figures to the right indicate full marks.  
 3. Use of non-programmable electronic calculator is allowed.

- Q.1 (a) Choose the correct alternative from the following (Any 8): [8]
- (i) A load is expressed as a percentage of  
 (a) SIP (b) NFO (c) NAV (d) AMC
- (ii) An annuity in which the number of payments depends upon the happening of some event is  
 (a) life annuity (b) contingent annuity (c) perpetual annuity (d) certain annuity
- (iii) If the face value of a share is less than its market value, then the share is said to be  
 (a) at a premium (b) at par (c) below par (d) None of these.
- (iv) If the nominal rate of interest is 9% per annum compounded quarterly, then the effective rate of interest per annum is \_\_\_\_\_ the nominal rate of interest  
 (a) greater than (b) less than (c) the fourth root of (d) equal to.
- (v) The list price minus trade discount is called the -  
 (a) cost price (b) reduced cost price (c) net selling price (d) invoice price.
- (vi) The difference between the market value and the net worth of a business is its  
 (a) good will (b) profit (c) loss (d) None of these
- (vii) The sub triplicate ratio of 8 : 1 is  
 (a) 1 : 2 (b) 2 : 1 (c) 1 : 1 (d) 512 : 1.
- (viii) The fourth proportional to 10, 15, 24 is  
 (a) 126 (b) 612 (c) 621 (d) 216.
- (ix) Commission is usually calculated as a percentage of  
 (a) cost price (b) list price (c) net selling price (d) invoice price.
- (x) The compound interest on Rs. 2,000 at 12% p.a. is maximum when the interest is compounded  
 (a) monthly (b) quarterly (c) half yearly (d) data is not sufficient.

- Q.1 (b) Write True / False (Any 7): [7]
- (i) The brokerage for a buyer is to be added in the sales value while calculating total amount the buyer receives.
- (ii) Simple interest is calculated on the principal amount only.
- (iii) Profit = N. S. P. - C. P. when N. S. P. > C. P.
- (iv) A mutual fund can never make a loss.
- (v) Par value and nominal value of a share are same.

- (vi) An annuity is an annual payment of a simple interest.
- (vii) The product of a ratio and its inverse is always one.
- (viii) If a share is available at a discount, then its face value is less than its market value.
- (ix)  $a^2 : b^2$  is the duplicate ratio of  $a : b$ .
- (x) 
$$\text{N.S.P.} = \frac{(100 - \text{Cash discount})}{100} \times \text{C.P.}$$

**Q.2** Answer either questions (a)&(b) or (c)&(d) of the following :-

- (a) A manufacturer makes a profit of 20% on cost after allowing trade discount at a rate of 22%. If the cost of manufacturing increases by 20%, find the new rate of trade discount if the manufacturer earns profit at the same rate without changing the catalogue price. [8]
- (b) There are two numbers with ratio 16:9 and 24 is a mean proportional between them. Find the numbers. [1]

(OR)

- (c) A company fixed the rate of commission to its sales man as follows: 4% on the first Rs. 8000, 6% on the next Rs. 6,000, 9% on the next Rs. 6,000 and 10% on the balance. The company had agreed to pay ¼% bonus over total sales if the sales crossed Rs. 25,000. A sales man of the company secured sales worth Rs. 27,000. Calculate the total earnings of the sales man. [8]
- (d) 30 men working for 8 hours a day earn Rs. 6,400 in 20 days. How much 45 men will earn in 24 days if they work 10 hours a day? The men are paid on the basis number of hours put in. [7]

**Q.3** Answer either questions (a)&(b) or (c)&(d) of the following :-

- (a) Ketan and Kevin borrowed Rs. 18,000 and Rs. 25,000 respectively, at the same rate of simple interest. Ketan repaid the loan with interest of Rs. 5,040, after 3.5 years. How much should Kevin pay after 4.5 years to pay off the loan, including simple interest? [8]
- (b) Vishal deposits Rs. 7000 at the end of every quarter, at 10% compound interest p.a. Find the amount of annuity he will receive after 2 years. [7]

(OR)

- (c) Sohail promised to pay Aamir Rs. 15,000 after 3 years with compound rate of interest 8% p.a. He also promised to pay Aakash Rs. 20,000 after 4 years with compound rate of interest 9% p.a. Find the present worth of these payments. Also find the total present worth of the money Sohail has to pay. [8]
- (d) Sumedh takes a loan of Rs. 1,50,000 from a bank for a period of 15 months at 12% p.a. compound interest. Compute the EMI on monthly reducing balance. [7]

**Q.4 Answer either questions (a)&(b) or (c)&(d) of the following :-**

(a) Chaitali got 320 shares of a company of a face value Rs. 10, at a market price of Rs. 120 each. After 3 months, she received dividend at 40%. After 6 months, she sold all the shares at a market price of Rs. 160 each. She paid brokerage of 0.4% for both transactions. Find her net gain. [8]

(b) Given the following information of a mutual fund: [7]  
Total number of units = 1,20,000  
Market value of securities = 25 lakhs  
Market value of corporate bonds = 30 lakhs  
Other assets of fund = 20 lakhs  
Liabilities = 6 lakhs  
Payable by fund = 4 lakhs  
Find NAV of the mutual fund.

(OR)

(c) Varun invested Rs. 20,000 in a Mutual Fund on 8-2-2011 when its NAV was 25.8. He received a dividend @ 5 per unit on 21-7-2011. He redeemed all units on 15-11-2011 with total gain of Rs. 6,682,588. Find NAV at which he redeemed all units if entry load was 2.25% and exit load was 1%. [8]

(d) Fred purchased 600 shares of face value Rs. 10 each. The rate of brokerage was 0.8% and the total sum he paid was Rs 1, 45,152. Find the market price per share. [7]

**Q5 (a) Explain the term variation and its types. [8]**

**(b) Explain the concept of NAV of a mutual fund. [7]**

(OR)

**Q5 Write any three short notes.**

(c) Dividend and rate of return [5]

(d) Annuity and its types [5]

(e) Bonus shares and split of shares [5]

(f) Ratio and proportion [5]

(g) Cash discount and Trade discount [5]

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